

MSO & LCO INTERCONNECT AGREEMENT DRAFT
NXTDIGITAL LIMITED
NXTDIGITAL HITS

This Technical and Commercial Interconnection Agreement (Cable Platform) along with its Schedules and Annexures is executed on this ____ day of _____ 202.....

BY AND BETWEEN:

NXTDIGITAL LIMITED., having its office at INCENTRE, 49/50, 12th road, MIDC, Andheri East, Mumbai-400093, through its Authorized Signatory, hereinafter referred to as the “MSO/NDL” which expression shall unless repugnant to the context or meaning thereof, be deemed to include its successors, assignees, legal heirs and executors of the ONE PART.

MSO’s Status: Company

AND

_____ having its office at

_____, through its Authorized Signatory,

hereinafter referred to as the “LCO” which expression shall unless repugnant to the context or meaning thereof, be deemed to include its successors, assignees, legal heirs and executors, of the

OTHER PART

LCO’s Status: Individual/Firm/Company/Association of Persons/Body of Individuals (strike out whichever is not applicable or modify suitably in case of Association of Persons or Body of Individuals)

The MSO and the LCO are hereinafter individually referred to as ‘Party’ and collectively referred to as “Parties”.

WHEREAS,

- A. "Whereas the National Company Law Tribunal, Mumbai ("NCLT") vide its order dated 21st August, 2020 ("Order") has approved the Scheme of Arrangement between IndusInd Media & Communications Limited ("IMCL") and NXTDIGITAL Limited. (NDL).
- B. And whereas, by virtue of the said Order, businesses of the IMCL as specified by the NCLT in the Order, with all their concomitant rights, obligations and liabilities arising therefrom, shall now vest with NDL.
- C. Now, therefore, take notice that subject to the terms and conditions of the said Order, NDL being the successor in interest with respect to those business operations of IMCL as specified by the NCLT, is competent to execute this Agreement."
- A. The MSO is a cable operator, who has been granted registration No. _____ dated _____ under the Cable Television Networks Rules, 1994, by the Ministry of Information and Broadcasting, for providing cable TV services through digital Addressable systems in the areas of _____ notified by the Central Government under Section 4A of the Cable Television Networks (Regulation) Act, 1995.
- B. The LCO is a cable operator, who has been granted registration under the Cable Television Networks Rules, 1994, having postal registration No. _____ dated _____, in the head post office _____, [Name of the head post office] for providing Cable TV Services in _____ [Mention the area].
- C. The LCO has requested the MSO vide its letter No. _____ dated _____ for making available signals of TV channels and the MSO has agreed vide its letter No. _____ dated _____ to provide signals of TV channels to such LCO.
- D. TERRITORY: Territory, in the context of this Agreement is _____ [mention the name of area(s)/city(ies)/ district(s)/ state(s) for which this agreement is being signed] for "INDIGITAL" cable platform.
- E. The Parties have mutually agreed to execute this Agreement - on principal to principal and non-exclusive basis - between them to govern the roles, responsibilities, rights, obligations, technical and commercial arrangement in regard to the distribution of TV channels in the Territory.

F. The Parties also mutually agree that each and every transaction including transaction of any properties/ assets between the Parties shall be carried out in writing or in any other verifiable means.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained herein, the Parties agree as follows: -

1. DEFINITIONS

The words and expressions used in this Agreement shall have meanings as assigned to them in the Schedule to this Agreement. All other words and expressions used in this Agreement, but not defined, and defined in the Act and rules and regulations made there under or the Cable Television Networks (Regulation) Act, 1995 (7 of 1995) shall have the meanings respectively assigned to them in those Acts or the rules or regulations, as the case may be.

2. TERM OF THE AGREEMENT

2.1 The Agreement shall commence on _____ and shall remain in force till the date of expiry of registration of the MSO or the LCO, as the case may be, whichever is earlier, unless terminated by either Party as per the terms and conditions of this Agreement.

2.2 The duration of the Agreement may be extended on terms and conditions to be mutually agreed between the Parties and recorded in writing provided that the extended term does not go beyond the last date of validity of registration of the MSO or the LCO, whichever is earlier.

3. TERMINATION OF THE AGREEMENT

3.1 Either Party has a right to terminate the Agreement by serving an advance notice of 21 days in writing to the other Party in the event of: -

- (i) material breach of the Agreement by the other Party which has not been cured within 15 days of being required in writing to do so; or
- (ii) the bankruptcy, insolvency or appointment of receiver over the assets of other Party;
or
- (iii) the other Party indulging in, or allowing or inducing any person to indulge in piracy or carrying programming service provided on the channel which is in violation of the Programme and Advertising Codes prescribed in the Cable Television Network Rules, 1994, as amended from time to time.

3.2 The LCO has a right to terminate the Agreement in the event of the MSO discontinuing the business of distribution of TV channels in the Territory.

3.3 The MSO has a right to terminate the agreement in the event of the LCO discontinuing its cable TV business in the Territory.

3.4 If the MSO decides to discontinue the business of distribution of TV channels in the Territory for any reason, it shall give a notice in writing, specifying the reasons for such decision, to the LCO at least 90 days prior to such discontinuation.

3.5 If the LCO decides to discontinue its business of providing signals of TV channels to the subscriber in the territory, it shall give a notice in writing, specifying the reasons for such decision, to the MSO at least 90 days prior to such discontinuation.

4. EFFECT OF TERMINATION AND EXPIRY

4.1 In the event of termination or expiry of the term of the Agreement, as the case may be, at the instance of either Party, each Party shall pay all amounts due and payable up to the date of termination or expiry to the other Party.

4.2 The LCO shall, within 15 days of the termination or expiry of the term of this Agreement, as the case may be, in terms of the provisions mentioned herein, hand over to the MSO all properties and assets belonging to the MSO (including STB's in good condition with all accessories), which are in the custody of the LCO. The LCO shall also be liable to make good all the losses or damages, if any, caused to such properties and assets belonging to the MSO, in custody of the LCO, within 30 days from the receipt of notice to this effect from the MSO and in the event of inability of LCO to repair such properties/assets, the LCO shall pay to the MSO the depreciated value of such properties/ assets.

4.3 The MSO shall, within 15 days of the termination or expiry of the term of this Agreement, as the case may be, in terms of the provisions mentioned herein, hand over to the LCO all properties and assets belonging to the LCO, which are in the custody of the MSO. The MSO shall also be liable to make good all the losses or damages, if any, caused to such properties and assets belonging to the LCO, in custody of the MSO, within 30 days from the receipt of notice to this effect from the LCO and in the event of inability of MSO to repair such properties/assets, the MSO shall pay to the LCO the depreciated value of such properties/ assets.

Explanation: - The clause 4.2 and 4.3 above shall not have any application in respect of Hardware or any other equipment (other than STB) belonging to the MSO or the LCO, as the case may be, which are installed at the premises of the subscribers.

4.4 If the LCO or the MSO, as the case may be, fails to hand over the assets or make good losses or damages caused to such properties and assets within the above stipulated period, the defaulting Party shall be liable to make payment for the depreciated value of the same together with simple interest calculated at the rate 2% p.m. over and above the base rate of interest of the State Bank of India.

5. PROVISIONING OF SERVICES

5.1 The MSO shall make available signals of TV channels to the LCO, on non-exclusive basis, in order to distribute the same to the subscribers in the Territory, in terms of this agreement and as per prevailing norms, policies, the applicable laws and rules, regulations, directions and orders of the concerned authorities.

5.2 The LCO shall carry signals of TV channels received from the MSO, on non-exclusive basis, for distribution to the subscribers in the Territory.

5.3 The Parties shall compulsorily transmit, re-transmit or otherwise carry any channel or programme only in encrypted mode through a digital addressable system strictly in terms of and in accordance with the applicable laws and regulations.

5.4 The roles and responsibilities of the Parties to the Agreement for provisioning of services are contained in clause 10 of this Agreement.

5.5 In consideration of the roles and responsibilities mentioned in clause 10 of the Agreement, the revenue settlement between the LCO and the MSO have been mentioned in the clause 12 of the Agreement.

6. RIGHTS OF THE MSO

6.1 The MSO shall continue to have a right of ownership of its network used to deliver the cable TV services under this agreement and it may expand/ upgrade/ change/ replace/ re-design any part or entire network subject to the condition that any such activity does not interrupt or degrade the Quality of Service provided to the subscribers.

6.2 The MSO shall sign the interconnection agreement with broadcasters for distribution of TV Channels as per prevailing norms, policies, the applicable laws and rules, regulations, directions and orders of the concerned authorities.

6.3 The MSO shall have the right to finalize the maximum retail price of each channel, as payable by the subscriber in compliance with the provisions of applicable laws and rules, regulations and tariff orders.

6.4 The MSO shall have the right to package the channels/ services offered on the network, as per its business plan and as per prevailing norms, policies, the applicable laws and rules, regulations and tariff orders.

6.5 The MSO shall have the right to finalize the rate of Basic Service Tier (BST) in compliance with the provisions of the applicable tariff orders and regulations notified by the Authority from time to time.

6.6 The MSO shall have the right to finalise the rates of bouquets of channels, if offered by the MSO, in compliance with the provisions of the applicable tariff orders and regulations notified by the Authority.

6.7 The MSO shall have the right to get all requisite information from the LCO for the purpose of fulfilling its responsibilities under the Agreement, and the applicable orders and regulations.

7. RIGHTS OF THE LCO

7.1 The LCO shall continue to have its right of ownership of its network used to deliver the cable TV services under this agreement and it can expand/ upgrade/ change/ replace/ re-design any part or entire network subject to the condition that any such activity does not interrupt or degrade the Quality of Service offered to the subscriber on its network.

7.2 The LCO shall have right to get all the requisite information from the MSO for the purpose of fulfilling its responsibilities under the Agreement, and the applicable orders and regulations.

8. OBLIGATIONS OF THE MSO

8.1 MSO shall set up and operationalize the Head-end, Conditional Access System (CAS) and Subscriber Management System (SMS) for ensuring efficient and error-free services to the subscribers by recording and providing individualized preferences for channels, billing cycles or refunds.

8.2 The MSO shall make available to the LCO, the necessary and sufficient information relating to the details of channels, bouquets of channels, and services offered to the subscribers including their prices.

8.3 The MSO shall provide web based grievance redressal mechanism for addressing the complaints of LCOs in relation to the provision of services, roles and responsibilities, revenue settlements, quality of services etc.

8.4 The MSO shall not issue pre-activated STBs and the STBs shall be activated only after the details of the Customer Application Form (CAF) have been entered into the SMS.

8.5 The MSO shall generate bills for subscribers on regular basis (on behalf of LCO), for charges due and payable for each month or as per the billing cycle applicable for that subscriber, within 3 days from the end of the billing cycle. In the event if the subscriber is on (portal) pre-paid model, the subscriber should make the payment prior to the expiry of the period and commencement of tenure of further parties.

8.6 The MSO shall provide access to the relevant part of the SMS under its control to the LCO for the purpose of fulfilling responsibilities by the Parties under the Agreement, and the applicable orders and regulations.

8.7 The MSO shall not indulge in any piracy or other activities, which has the effect of, or which shall result into, infringement and violation of trade mark and copyrights of the LCO or person associated with such transmission.

8.8 The MSO shall comply with all the applicable statutes or laws for the time being in force, or any rules, codes, regulations, notifications, circulars, guidelines, orders, directions etc. issued, published or circulated under any law for the time being in force.

8.9 The MSO shall not do any act or thing as a result of which, any right or interest of the LCO in respect of cable TV signals under this Agreement or any property of the LCO may be infringed or prejudiced.

8.10 The MSO shall be responsible for encryption of the complete signal, up to the STB installed at the premises of the subscriber.

8.11 The MSO shall not disconnect the signals of TV Channels, without giving three weeks' advance notice to the LCO clearly specifying the reasons for the proposed disconnection as envisaged in the Interconnection Regulation.

8.12 The MSO shall make available consumer friendly electronic payment options in the subscriber management system for the electronic payment of bills by the subscribers, prepaid system for subscribers and facility for acknowledgments/receipts to the subscribers for the payments made by them.

8.13 The MSO shall provide to the LCO at least 2% of the total STBs active in the network of the LCO with an upper cap of 30 STBs as maintenance spare, which are not pre-activated, to ensure speedy restoration of services affected due to any fault in STB. This quantity of maintenance spare STBs shall be maintained during the term of the agreement. However, LCO shall pay for the STB'S as per the company's policy.

8.14 The MSO shall intimate to the LCO, at least 15 days in advance, in respect of any proposed changes in the package composition or the retail tariff being offered to the subscriber.

8.15 The MSO shall have no right, without the prior written intimation to the LCO, to assign or transfer any of its rights or obligations under this Agreement. The Assignee shall be bound by the terms and conditions of this agreement.

9. OBLIGATIONS OF THE LCO

9.1 The LCO shall handover a copy of CAF received from subscribers within 15 days to the MSO till the receipt of CAF, MSO cannot activate the STB's.

9.2 The LCO shall be responsible for entering the details of the bill amount paid by the individual subscriber to the LCO for the Cable TV services in the SMS.

9.3 The LCO shall not indulge in any piracy or other activities, which has the effect of, or which shall result into, infringement and violation of trade mark and copyrights of the MSO, or any other person associated with such retransmission.

9.4 The LCO shall have no right, without the prior written intimation to the MSO, to assign or transfer any of its rights or obligations under this Agreement.

9.5 The LCO shall not replace the STBs of the MSO with the STBs of any other MSO without receiving the requests from the subscribers through application forms for returning the STB of the existing connections and for providing new connections through Customer Application Form. The new Set Top Box shall be activated only after entry of the details, as provided in new Customer Application Form, into the Subscriber Management System of the new MSO, and compliance mentioned in clause no.9.11.

9.6 The LCO shall –

(i) not transmit or retransmit, interpolate or mix any signals which are not transmitted or generated by the MSO without the prior written consent of the MSO;

(ii) not insert any commercial or advertisement or information on any signal transmitted by the MSO. Any such tampering of signals or interpolating of signals shall be deemed to be a violation of this Agreement and shall constitute sufficient cause for termination of this Agreement by the MSO by giving such notice as prescribed under the law or under this agreement;

(iii) not interfere in any way with the signals provided by the MSO and also not use any decoding, receiving, recording equipment(s), counterfeit set top box or Smart card and any other like equipments;

(iv) not alter or tamper the Hardware including the seal (seal to prevent opening of set top box), misuse, replace, remove and shift the Smart card or STB without the written consent of MSO from their respective original addresses;

(v) not use, either before or after the installation of STB, of any decoding, receiving, recording equipment(s), counterfeit set top box(es), smart card(s) other than the STB(s), Smart cards and any other equipments supplied/ approved by the MSO, and to take actions as directed by the MSO against such subscribers.

(vi) intimate the MSO promptly about any alteration, tampering with the Hardware including the seal, misuse, replacement, removal and shifting of Smart cards and STBs, without the written consent of MSO, from their respective original addresses and also about the use, either before or after the STBs, of any decoding, receiving, recording equipment(s), counterfeit set top box(es) and smart card(s) other than the STB(s), Smart card(s) and any other items of Hardware supplied by the MSO, and to take actions as directed by the MSO against such subscribers.

9.7 The LCO shall not provide connection to any entity for further retransmission of the Cable TV signals.

9.8 The LCO shall not record and then retransmit Cable TV signals or otherwise to block or add or substitute or otherwise tamper with the signal being transmitted by

the MSO or with the trunk line nor shall allow any other person to do so.

9.9 The LCO shall not do any act or thing as a result of which, any right or interest of the MSO in respect of the Cable TV signals under this Agreement or any property of the MSO may be infringed or prejudiced.

9.10 The LCO shall permit access to the systems under its control to the MSO, on non-exclusive basis, for the purpose of fulfilling responsibilities by the Parties under the Agreement, and the applicable orders and regulations.

9.11 The LCO shall not disconnect the signals of TV Channels, without giving three weeks' notice to the MSO clearly specifying the reasons for the proposed disconnection as envisaged in the Interconnection Regulation, and without returning STB'S of the subscribers of MSO. The LCO cannot disconnect the signal and connect with other MSO till all the outstanding dues are paid and STB's are returned and obtained No Dues Certificate from the MSO.

9.12 LCO COVENANTS

The LCO hereby undertakes that it shall be responsible and liable for –

(i) booking of orders from subscribers for provision of the Hardware, obtaining the necessary registration forms filled up by the subscribers with the prescribed proof of identity, proof of address, obtaining signatures of the subscribers under his certification, collection of the rents or installments and the security deposits and forwarding promptly to the multi system operator (MSO) such forms,

along with the requisite payments, as also requests from the subscribers for changes, if any, from time to time, duly countersigned by the Affiliate to enable the processing of the same; Affiliate shall also collect the requests from the subscribers for changes including changes in the subscribed. channel(s)/package(s), if any, from time to time. It shall be sole responsibility of the Affiliate to collect the properly filled and duly signed Customer Registration Forms (hereinafter referred to as 'CRF') and other requests from the subscriber(s) and to provide the same to the MSO and at the same time keep a copy of the same in its safe custody as per the Quality of Service (Digital Addressable Cable TV Systems) Regulations, 2012 and other applicable TRAI Regulations, other laws, Rules, Regulations, Orders, Circulars, Notifications, etc. The Affiliate shall be responsible for production of these CRF and requests to the MSO, as and when request is made by the MSO or its authorized person, from time to time, in this context, either: -

(a) suo moto; or

(b) on receipt of a notice, request, instruction, directives, etc. from the Regulatory authorities, other Government Departments/including but not limited to Entertainment Tax Department, Service Tax Department, TRAI, MIB etc.; or

(c) on the request of auditors of the MSO; or

(d) on receipt of a complaint from subscriber(s), with a view to resolve the complaint of the concerned subscriber(s).

In the event of failure of the Affiliate to produce any or all these CRF and other requests, Affiliate hereby undertakes to indemnify MSO for any action, proceeding initiated, penalty(ies), fine(s), damage(s) etc. levied/imposed by the Regulatory or any Judicial or Quasi-Judicial Authority, Statutory or Government Authority(ies)/Department(s),

etc. due to failure on the part of Affiliate in production of any or all these forms and requests or due to any matter connected thereto.

(ii) Physical verification of the address of each subscriber of pay channels after getting proof of residential address such as a ration card, Voters Identity Card, Bank Pass Book or any other such documentary proof of residence;

(iii) Protection of the Hardware supplied to each subscriber by MSO under any scheme and the Affiliate will not swap/substitute the STB(s) and/or VC(s) of MSO with the STB(s) and/or VC(s) of any other Multi System Operator/Cable Operator/DTH Operator. In any event Affiliate swaps or misuses or shifts or tampers or transfers the STB(s) and/or VC(s) of the MSO from the subscriber premises, the Affiliate shall not only be responsible for return of Hardware or refund its value along with forthwith payment of its entire outstanding dues with the MSO, but also be liable for payment of such damages as may be determined by the MSO in its sole discretion on account of loss of business.

(iv) ensure the strict adherence and compliances of the Standard of Quality of Service (Digital Addressable Cable TV Systems) Regulations, 2017 other applicable TRAI Regulations, other laws, Rules, Regulations, Orders, Circulars, Notifications, etc.

10. ROLES AND RESPONSIBILITIES OF THE MSO AND THE LCO:

Sl. No.	Role	Responsibility of the MSO or the LCO as mutually agreed by the Parties - fill the cell	Remarks

		accordingly	
(1)	(2)	(3)	(4)
1	Devising of Consumer Application Form, either in electronic format or print format or both, for initial subscription to broadcasting services containing the information as provided in the Schedule I of the QoS regulations.	MSO	MSO to provide CAF in the LCO's portal. LCO's to get CAF filed up by the subscribers and submit the same to MSO for activation.
2	<p>a. Provide information to consumers about the details of services at the time of every new connection as per the QoS regulations.</p> <p>b. Providing information to the subscriber about the details of STB schemes offered and the warranty/repairing policy applicable thereof.</p>	<p>LCO</p> <p>LCO</p>	<p>LCO's after collecting CAF to educate subscribers of products and services.</p> <p>LCO will inform subscriber on the STB scheme and warranty/Repair policy of the Company.</p>

3	<p>Provisioning of MSO and LCO broadcasting services to the consumer upon obtaining duly filled Consumer Application Form and providing a copy of the same to the consumer as per the QoS regulations.</p>	MSO and LCO	<p>The Party who has been assigned this responsibility shall update the information in the Subscriber Management System (SMS) in each case within 24 hours from the receipt of the application.</p>
4	<p>Assigning a unique identification number (UIN) to every subscriber and communicating the same to the consumer as per the provisions of the QoS regulations.</p>	MSO	<p>The UIN shall be generated from the SMS. In case the responsibility is assigned to the LCO then the relevant access of the SMS should be provided by the MSO to the LCO.</p>
5	<p>Activation of MCO/LCO broadcasting services to the subscribers.</p>	MCO/LCO	<p>(1) Activation shall be done only after only after the details of Consumer Application Form have been entered into the SMS.</p> <p>(2) In case the responsibility is assigned to the LCO</p>

			then the MSO should provide relevant access to SMS for activation of broadcasting services.
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6	Activation of requested channel(s) or bouquet(s) available on the platform, upon receiving a verifiable request from a subscriber as per the provisions of the QoS regulations.	LCO	Rights given by MSO to LCO.
7	Deactivation of requested channel(s) and bouquet(s) from the subscription package of subscriber upon receiving a verifiable request from the subscriber, as per the provisions of the QoS regulations.	LCO	Rights given by MSO to LCO
8	Temporary suspension of the broadcasting services of a subscriber upon receiving a request from the subscriber as per the	LCO	Rights given by MSO to LCO

	provisions of the QoS regulations.		
9	Restoration of services of a subscriber, upon request from the subscriber as per the provisions of the QoS regulations.	LCO	Rights given by MSO to LCO
10	Relocation of connection of a subscriber from one location to another location, upon the request for the same as per the provisions of QoS regulations.	MSO/LCO	
11	Providing notice to the subscribers regarding interruption of signals for preventive maintenance as specified in QoS Regulations.	MSO/LCO	MSO also informs through portals to LCO and provides customer supports support channel to subscribers.
12	Disconnection of broadcasting services to a subscriber upon request from the subscriber and refunding of deposits subject to fulfilment of	MSO/LCO	

	the terms and conditions provided in the QoS regulations.		
13	Offering broadcasting LCO services to the		
	subscribers either on pre-paid basis or post-paid basis or both as provided in the QoS regulations.		
14	Changing payment mechanism from pre-paid to post-paid or vice-versa, as the case may be, on the request made by the subscriber.	MSO via LCO	
15	Generation of post-paid bills for subscribers as per the QoS regulations.	LCO	MSO generates its bills and sends to LCO portals (soft copy).
16	Delivery of post-paid bills to subscribers as per the	LCO	MSO generates its bills and sends to LCO
17	QoS regulations. Issuance and delivery of LCO receipts to post-paid subscribers for manual payments made by them and entering the details of the receipts in the subscriber management system as per the QoS		portals (soft copy). Based on the bills generated by MSO on LCO's customers choices.

	regulations.		
18	Acknowledging pre-paid payments to the subscriber and updating the subscriber management system accordingly.	MSO	Based on the LCO's confirmation and inputs by LCO's.
19	Providing set top boxes to the subscribers conforming to the standards prescribed in the QoS regulations.	MSO/LCO	LCO finally delivering and installing at subscribers place.
20	Offering different schemes for the STB as per the QoS regulations.	MSO	Implemented by LCO.
21	Offering annual maintenance scheme for the Customer Premises Equipment provided under outright purchase scheme after the expiry of guarantee/warranty period as per the QoS regulations.	MSO	Implemented by LCO
22	Repairing of a malfunctioning set top box as per the QoS regulations.	MSO/LCO	Implemented by LCO

23	Publicizing toll free consumer care number and address of the web based complaint management system to the subscribers through customer care channel and website, as provided in the	MSO	Implemented by LCO
	QoS Regulations.		
24	Providing copies of Manual of Practice (MoP) to subscribers as specified in QoS regulations.	MSO	The MSO shall finalize the contents of MOP. Copies of such MoP shall be shared with the LCO.
25	Payment of taxes to the Government.	MSO and/ or LCO	Since MSO is giving a Net Bills to LCO and paying the taxes from the Net Bill. LCO has to pay the tax of his revenue portion.

Note: - The responsibilities for various roles mentioned in the column

(2) above can be mutually agreed by the Parties and accordingly the cells of the column (3) to be filled.

11. BILLING

11.1 The billing for subscriber shall be in the name of LCO. However, each Party shall ensure that the applicable laws, rules and regulations relating to taxes are complied with.

11.2 The Party, in whose name the billing for subscribers have been agreed in the clause 11.1 above, shall receive the payment of the subscription fee paid by the subscribers. The revenue share as per clause 12.1 of this Agreement shall be paid by this Party to the other Party on receipt of the invoice from the other Party.

12. REVENUE SETTLEMENT BETWEEN THE LCO AND THE MSO AND RELATED RIGHTS AND OBLIGATIONS

12.1 The settlement of charges between the LCO and the distributor shall be in the following manner: -

- (a) network capacity fee amount shall be shared in the ratio of 30:70 between multi system operator and local cable operator respectively. This is applicable only for a period of 3 months as a special introductory offer. Thereafter, it shall be mutually decided.
- (b) the distribution fee amount shall be shared in the ratio of 50:50 between multi system operator and local cable operator respectively.

Note: -

- (1) For mutual agreement cases where the roles and responsibilities of the MSO and the LCO have been agreed as per column (3) of clause (10), this clause can be suitably amended based on mutual agreement.
- (2) Network capacity fee amount and the distribution fee shall have the same meaning as defined in the Interconnection Regulations and Tariff Order.

12.2 The MSO shall issue monthly invoice to the LCO towards dues payable by the LCO for revenue settlement and such invoice shall clearly specify the current payment dues and arrears, if any, along with the due date of payment which shall not be less than seven

days. Any demand of arrears shall be accompanied by the proof of service of invoices for the period for which the arrears pertain. The amounts raised in the invoice shall be payable on or before the due date as mentioned therein. In case of Pre-Paid scheme, LCO has to pay on or before the renewal/expiry of the subscription charges.

13. DEFAULTS

13.1 Without prejudice to such rights and remedies that the Parties may have in law or under the provisions of this Agreement, in the event of any delay or failure by the MSO or the LCO, as the case may be, to make payments of dues on or before the respective due dates, the LCO or the MSO, as the case may be, shall have the right: -

- (i) to disconnect the services subject to the compliance of the applicable rules, regulations, directions or orders of the Authority;
- (ii) to terminate this Agreement, subject to compliance of the applicable laws in force;
- (iii) to charge a simple interest at the rate 2% over and above of the base rate of interest of the State Bank of India from the date such amounts became due until those are fully and finally paid;

13.2 In cases where any of the Parties has failed to make payment on or before due date for three consecutive months in the past, the other Party shall have right to demand the interest free security deposit which shall not exceed average of immediately preceding 6 months billing amounts and the same shall be maintained for the remaining term of the agreement.

13.3 Upon disconnection of the service as mentioned in clause 13.1 above, whether accompanied by termination of this Agreement or not, the defaulting Party shall be liable to deposit forthwith all sums

payable by it. In the case of termination, accounts shall be settled within thirty days and for delayed payments, either Party shall be liable to pay simple interest at the rate 2% p.m. over and above of the base rate of interest of the State Bank of India.

14. UNDERTAKINGS

14.1 Each Party shall recognize the exclusive ownership of the property owned and installed by the other Party and shall not have or claim any right, title or interest or lien of whatsoever nature.

14.2 Nothing contained herein shall constitute either Party as the agent or partner or the representative of the other for any purpose and neither Party shall have the right or authority to assume, create or incur any liability or obligation of any kind, express or implied, in the name of or on behalf of the other Party and the relationship between the MSO and the LCO shall remain on "Principal to Principal" basis.

14.3 It is expressly understood by the Parties that "INDIGITAL" logo(s) is a Registered Trade Mark of the MSO, and the LCO shall use the said logo only during the currency of this Agreement for the benefit of the cable television networking business of the MSO. Consent of the MSO is hereby given to the LCO to use the said logo, to the extent of or in connection with the business of the MSO.

14.4 It is expressly understood by the Parties that "INDIGITAL" logo(s) is a Registered Trade Mark of the LCO, and the MSO shall use the said logo only during the currency of this Agreement for the benefit of the cable television networking business of the LCO. Consent of the LCO is hereby given to the MSO to use the said logo, to the extent of or in connection with the business of the LCO.

14.5 It is clearly understood and accepted by each Party that it shall have no right to use any intellectual property of the other on its

Cable TV service or otherwise on or after the withdrawal by the other Party of its consent for such uses.

14.6 In case the LCO or the MSO, as the case may be, decides to transfer its interest in respect of its business of providing Cable TV Service to any other party / person (third party), in whole or in part, the LCO or the MSO, as the case may be, shall give prior 30 working day's notice to the MSO or the LCO. One Party shall not have any objection to such transfer if the other Party has complied with its obligations under this contract and has paid all its dues.

Provided, however, that such third party shall sign and execute a deed of adherence to the terms and conditions of this Agreement and other undertaking/ bonds to the satisfaction of the MSO or the LCO, as the case may be, in order to give effect to the provisions of this Agreement.

14.7 The LCO shall maintain and continue to maintain its Postal Registration Certificate renewed from time to time in accordance with the Cable TV Networks (Regulation) Act, 1995 and comply with the terms and conditions of the registration certificate issued by the Postal Authority.

14.8 The MSO shall maintain and continue to maintain its Registration Certificate renewed from time to time in accordance with the Cable TV Networks (Regulation) Act, 1995 and comply with the terms and Conditions of the registration.

14.9 Both the Parties shall comply with the Programme Codes and Advertising Codes prescribed in the Cable Television Network Rules, 1994, as amended from time to time.

14.10 Both the Parties shall comply with the laws for the time being in force in India, as applicable to them.

15. PREVENTION OF PIRACY

15.1 The Parties shall not indulge or allow any person to indulge in Piracy or in reverse engineering of any technology used in the Hardware or any component thereof nor shall they use the Hardware to be connected to any equipment for setting up a mini head-end for retransmission of the signals generated from the same.

15.2 Signal to any subscriber shall be disconnected by the MSO or the LCO, as the case may be, after giving due notice as required under applicable regulations, if found to be indulged in or abetting any Piracy.

16. DISCLAIMER AND INDEMNITY

16.1 In no event, the MSO shall be liable to the LCO for any indirect, special, incidental or consequential damage arising out of or in connection with the disruption, interruption or discontinuance of the Service or for any inconvenience, disappointment or due to deprivation of any programme or information or for any indirect or consequential loss or damage, which is not attributable to any act of the MSO.

16.2 In no event, the LCO shall be liable to the MSO for any indirect, special, incidental or consequential damage arising out of or in connection with the disruption, interruption or discontinuance of the Service or for any inconvenience, disappointment or due to deprivation of any programme or information or for any indirect or consequential loss or damage, which is not attributable to any act of the LCO.

16.3 LCO shall indemnify the MSO for all cost, expense and damages by reason of any claim, action or proceedings from any third party or from subscribers for any inconvenience, loss or annoyance caused to them due to any default of the LCO or due to termination of the Agreement or suspension of the Service due to LCO's breach.

16.4 MSO shall indemnify the LCO for all cost, expense and damages by reason of any claim, action or proceedings from any third party or from subscribers for any inconvenience, loss or annoyance caused to them due to any default of the MSO or due to termination of the Agreement or suspension of the Service due to MSO's breach.

17. GOVERNING LAW AND DISPUTE RESOLUTION

17.1 As mandated by the Telecom Regulatory Authority of India Act, 1997, the Parties shall not institute any suit or seek injunction or interim orders in any court or judicial tribunal/ authority in India with respect to any claims, dispute or differences between the Parties arising out of this Agreement save and except before the Telecom Disputes Settlement and Appellate Tribunal, New Delhi ("TDSAT"). The Parties agree that all disputes between the Parties shall be resolved solely through proceedings instituted before the TDSAT.

18. FORCE MAJEURE

18.1 Failure on the part of the MSO or the LCO to perform any of its obligations, shall not entitle either Party to raise any claim against the other or constitute a breach of this Agreement to the extent that such failure arises from an event of Force Majeure. If through Force Majeure the fulfilment by either Party of any obligation set forth in this Agreement is delayed, the period of such delay shall not be taken into account in computing periods prescribed by this Agreement. Force Majeure will include act of god, earthquake, tides, storm, flood, lightening, explosion, fire, sabotage, quarantine, epidemic, arson, civil disturbance, terrorist attack, war like situation, or enactment of any law or rules and regulation made by the Authorities or revocation of registration of the Parties any circumstances beyond the reasonable control of the Parties herein that directly or indirectly hinders or prevents either of the Parties from commencing or proceeding with the consummation of the

transactions contemplated hereby. The Party affected by such Force Majeure event shall promptly notify the other Party of the occurrence of such event. It is agreed between the Parties that lack of funds shall not in any event constitute or be considered an event of Force Majeure. If the conditions of Force Majeure to continue for a period exceeding one month, the Parties shall meet to decide upon the future performance of the Agreement. If the Parties are unable to agree upon a plan for future performance, then the Agreement shall be terminated upon notice of either Party to the other, on expiry of one month from the date of such notice.

18.2 Any accrued payment obligation of a Party prior to the commencement of Force Majeure shall survive the termination of this Agreement pursuant to such Force Majeure.

19. NOTICES

19.1 Any notice to be served on any Party by the other shall be deemed to have been validly sent if sent by Registered Post Acknowledgement Due (RPAD) or speed post service of Department of Post, Government of India or by hand delivery duly acknowledged at the address mentioned in the beginning or at such other changed address as the Party may inform and the date of receipt of such notice shall be the date of receipt by the other Party or 7 days from the date of dispatch of the notice by RPAD, whichever is earlier.

20. RESTRICTION ON TRANSFER

20.1 The either Party shall not remove, sell, assign, mortgage, transfer/sublet and encumber all or any part of the network which belongs to the other Party. If the Party indulges in any of the above-mentioned acts, the said acts shall be illegal and void ab-initio and the Party shall also be liable for any action under the applicable law.

21. CONFIDENTIALITY

21.1 The Parties shall keep in strict confidence, any information received by one from the other while participating in the affairs/business of each other and shall not disclose the same to any person not being a party to this Agreement.

21.2 The Parties shall also bind their employees, officers, advisors, associates, contractors, agents, authorized persons and other similar persons to whom the above mentioned information may be disclosed, to the obligations of confidentiality.

21.3 The Parties hereby agrees that the confidential information can be disclosed to the statutory authority on demand by such authorities.

22. MODIFICATIONS

22.1 The Agreement cannot be modified, varied or terminated except in writing. Any variation of the Agreement, including Addendum Agreements, Annexures, Schedules or any other document, called by whatever name, but executed in relation to this Agreement, shall be mutually agreed to in writing and executed by or on behalf of the Parties.

23. BINDING EFFECT

23.1 This Agreement modifies all prior understanding of the Parties as to the subject matter thereof and shall not be amended except in writing by both the Parties. Any other understanding between the Parties (if any) with regard to any other matter or any accrued rights and obligation of the Parties not covered under this agreement, if any, shall continue to be in full force and effect.

IN WITNESS WHEREOF, the Parties have set and subscribed their respective hands to this Agreement on the date and year appearing hereinabove.

SIGNED ON BEHALF OF THE MSO

NXTDIGITAL LIMITED THROUGH ITS AUTHORISED SIGNATORY

Mr. N.K. Rouse, Chief Operating Officer

In the presence of

1. Mr. _____

2. Mr. _____

SIGNED ON BEHALF OF THE LCO THROUGH ITS PROPRIETOR/PARTNER/AUTHORISED

Mr. _____

In the presence of

1. Mr. _____

2. Mr. _____

Note: The self-attested copies of power of attorney/authorization letter, whereby the signatories of this agreement have been authorized to sign and execute this agreement by the Parties, shall be attached with this agreement.

Schedule

DEFINITIONS AND INTERPRETATIONS

A. DEFINITIONS

In the Agreement unless the context requires otherwise, the following words and expressions shall have the meanings set out herein below:

- (a) "Act" means the Telecom Regulatory Authority of India Act, 1997 (24 of 1997);
- (b) "addressable system" shall have the same meaning as assigned to it in the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017;
- (c) "Authority" means the Telecom Regulatory Authority of India established under subsection (1) of section 3 of the Telecom Regulatory Authority of India Act, 1997 (24 of 1997);
- (d) "basic service tier" means a bouquet of free to air channels as referred to in the Tariff Order;
- (e) "bouquet" or "bouquet of channels" means an assortment of distinct channels offered together as a group or as a bundle and all its grammatical variations and cognate expressions shall be construed accordingly;
- (f) "broadcaster" means a person or a group of persons, or body corporate, or any organization or body who, after having obtained, in its name, downlinking permission for its channels, from the Central Government, is providing programming services;
- (g) "cable service" or "cable TV service" means the transmission of programmes including re-transmission of signals of television channels through cables;

- (h) “cable television network” or “cable TV network” means any system consisting of a set of closed transmission paths and associated signal generation, control and distribution equipment, designed to provide cable service for reception by multiple subscribers;
- (i) “customer care center” means a department or a section or a facility established under QoS regulations;
- (j) “CTN Act” means the Cable Television Networks (Regulation) Act, 1995 (7 of 1995);
- (k) “encryption or encrypted” in respect of a signal of cable television network, means the changing of such signal in a systematic way so that the signal would be unintelligible without use of an addressable system and the expression "unencrypted" shall be construed accordingly;
- (l) “free-to-air channel” shall have the same meaning as assigned to it in the Tariff Order;
- (m) “hardware” means a multi-system operator approved set top box to enable the decryption of signals of Channels transmitted in encrypted form, the remote and other associated components and accessories;
- (n) “head-end” means a facility that contains satellite receivers, modulator, compression equipment, multiplexes, and conditional access facilities, other transmission equipments and has antennas which receive signals from Satellite and/or from local studio for retransmission to subscribers directly or through linked LCOs;
- (o) “Interconnection Regulation” means the Telecommunication (Broadcasting and Cable) Interconnection (Addressable Systems) Regulations, 2017;
- (p) “Manual of Practice (MoP)” means the Manual of Practice as referred to in the QoS Regulation;

- (q) "pay channel" shall have the same meaning as assigned to it in the Tariff Order;
- (r) "piracy" means unauthorized reception, retransmission or redistribution of Cable TV Signal by any person by any means and modes including but not limited to any alteration, tampering of the seal or any component or accessory thereof or misuse, replacement, removal and/or shifting of Hardware or any use, either before or after the set top box, any decoding, receiving, recording equipment(s), counterfeit or unauthorized devices or any activity, which has the effect of, or which may result into, infringement and violation of trade mark and copyright of the MSO or the LCO as the case may be;
- (s) "programme" means any television broadcast and includes-
 - (i) exhibition of films, features, dramas, advertisements and serials, (ii) any audio or visual or audio-visual live performance or presentation,

and the expression "programming service" shall be construed accordingly;

- (t) "QoS Regulation" means the Telecommunication (Broadcasting and Cable) Services Standards of Quality of Service and Consumer Protection (Addressable Systems) Regulations, 2017;
- (u) "set top box" means a device, which is connected to or is part of a television receiver and which enables a subscriber to view subscribed channels;
- (v) "smart card" means the card duly approved by the multi system operator as part of the Hardware, which enables the subscriber to gain access to the Cable TV signals of Channels.
- (w) "subscriber" for the purpose of these regulations, means a person who receives broadcasting services, from a distributor of television channels, at a place indicated by such person

without further transmitting it to any other person and who does not cause the signals of television channels to be heard or seen by any person for a specific sum of money to be paid by such person, and each set top box located at such place, for receiving the subscribed broadcasting services, shall constitute one subscriber;

- (x) "subscriber management system" means a system or device which stores the subscriber records and details with respect to name, address and other information regarding the hardware being utilized by the subscriber, channels or bouquets of channels subscribed by the subscriber, price of such channels or bouquets of channels as defined in the system, the activation or deactivation dates and time for any channel or bouquets of channels, a log of all actions performed on a subscriber's record, invoices raised on each subscriber and the amounts paid or discount allowed to the subscriber for each billing period;
- (y) "Tariff Order" means the Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff Order, 2017;
- (z) "trunk line" means the coaxial/optic fibre cable network and other allied equipment such as receiver nodes, amplifiers, splitters etc. owned and installed by the multi-system operator or its associate companies for the purpose of transmitting Cable TV Signal to various LCOs till the receiving end of various LCOs, including the LCO, to enable them to re-transmit the Cable TV Signal to respective subscribers;

All other words and expressions used in this interconnection agreement but not defined, and defined in the Act and rules and regulations made there under or the CTN Act and the rules and regulations made there under, shall have the meanings respectively assigned to them in those Acts or the rules or regulations, as the case may be.

B. INTERPRETATION

In this Agreement, unless the context otherwise requires:

- (a) Any reference to the singular in the Agreement shall include a reference to the plural and vice versa and words importing one gender only shall include all other genders unless the context otherwise requires;
- (b) The word “person” shall include individuals, corporations, partnerships, association of persons and any other entities;
- (c) Any references to article, clauses, sub-clauses, appendices, annexure and schedules are references to Articles, clauses, sub-clauses, appendices, annexure and schedules to the Agreement unless the context otherwise expressly provides;
- (d) References to a “month” are to a calendar month;
- (e) Headings and titles are for ease of reference only and shall not affect the interpretation of this agreement and in no way be read to give a construction not harmonious with the interpretation of various clauses of this agreement done otherwise independent of the title.
- (f) Any reference to law, regulation, statutory provision, order, guideline, policy, etc, includes references to such law or regulation or provision, order, guideline, policy, etc., as modified, codified, amended or re-enacted from time to time.